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TAIWAN'S TRANSITION TO DEMOCRACY

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Abstract

Taiwan's transition from authoritarianism to democracy occurred in two phases with economic strength, specifically capitalism, as the catalyst. The hard authoritarianism established by Chiang-Kai Shek's regime allowed the institutions of private property and free enterprise to promote economic stability. Rapid growth followed and Taiwan transitioned from an agrarian based economy to a modern industrialized nation. The pressures from economic success drove Chiang Kai-shek's successor, Chiang Ching-kuo, towards a softer form of authoritarianism. He then exploited the economic successes as a source of legitimacy for his authority. Continued economic progress promoted further calls for liberalization and under President Lee Teng-hui, Chiang Ching-kuo's successor, Taiwan fully transitioned from soft authoritarianism to a democratic state. This paper will outline the history of this transformation and argue the economic influence of capitalism as the principal driving cause.

Chapter 1

Political Theories

The transition of Taiwan from authoritarianism to democracy occurred as a two-phase process. First, the hard line authoritarian regime of Chiang Kai-shek was pragmatically transitioned to a softer form under his son and successor Chiang Ching-kuo. Then the transformation process continued with his successor, Lee Teng-hui, to the point where a viable democracy now exists. Before retracing the steps and identifying the causes of this transformation some definitions for these political theories need to be provided.

Authoritarianism Defined

The essential element is that it is one in which stern and forceful control is exercised over the population, with no particular concern for their preferences or for public opinion. The justification for the rule may come from any one of a number of ideologies, but it will not be a democratic ideology, and ideas of natural rights or civil liberties will be rejected in favor of the government's right to rule by command, backed by all the force it needs. It is very much tied to the idea of command and obedience, of inflexible rule, and a denial of legitimacy of opposition or even counter-argument.

—David Robertson

Authoritarianism, often grouped with totalitarianism, is a system where one entity— be it a person, monarch, autocrat, dictator, or group/ oligarchy— governs the whole. Regardless of what or who the governing body is, the authoritarian regime is not

accountable to the population and does not permit its citizens to participate in most political decisions. The ideology of a one party authoritarian system identifies a chosen constituency, targets an enemy, proclaims the necessity for a struggle against the enemy, and holds forth assurance of ultimate victory.¹

Traditional authoritarian systems have usually been based on custom, habit, property rights, and social status as well as political power. Often exercised authority was the result of one individual's charisma. However, modern authoritarian regimes have typically been a one party system where authority powers extend only to government and public policies. These policies often include security, government job hiring, and the right to travel abroad. Considerable flexibility is provided in other areas of private life, such as entrepreneurship, as long as the citizens do not challenge the authority of the autocratic party.

Some modern regimes are single-party authoritarian even though more than one party may exist. In these cases the opposition parties are not considered viable and exercise little influence. A strong one-party system monopolizes three areas; legitimization of the political system, recruitment of political leadership, and determination of policy-making.² The political elite's power comes from the control of government/ party apparatus and its members often see politics as a preferred career for themselves.

Maintaining an exclusive one-party regime requires several factors. An unsympathetic or indifferent international system that does not challenge the legitimacy of the regime must be present. There also should be a significant difference in the level of political consciousness and mobilization between the party constituency and the excluded population. Finally, there has to be a high degree of unity within the political elite.³ Often

the gravest threat that confronts a one-party system is succession. Unless the party leader establishes a clear path for his successor, a power struggle and splintering of the party is likely to occur.

Economic and social modernization both serve to undermine the conditions necessary to maintain a one-party regime. Economically strong systems often generate a socially complex environment where the benefits of literacy, urbanization, and education lead to a political consciousness and mobilization.⁴ The possible alternative courses of action for an authoritarian regime experiencing the problems of modernization are:

1. refuse to acknowledge the changes occurring and hope they will somehow survive.
2. resort to repression and regress to a police state to maintain authority.
3. provoke a foreign conflict and attempt to restore legitimacy.
4. establish some semblance of a democratic legitimacy for their regime.
5. accept modernization with all its political consequences and try to adapt.⁵

Democracy Defined

...true democracy' means liberte, egalite, fraternite, effective citizen control over policy, responsible government, honesty, and openness in politics, informed and rational deliberation, equal participation and power, and various other civic virtues.

—Samuel P. Huntington

The definition of democracy varies widely in interpretation and implementation. However, a brief description of a representative democracy along with some of its inherent qualities is sufficient for the following discussion of Taiwan's democratization.

Representative democracies are systems of indirect majority rule. Political decisions and the making of laws are done by a parliament, or similar body, elected by majority vote from the population. Citizens accept the authority of the elected body and abide by the

laws and policies formulated. There is a respect of individual and group's rights within the system and the government is accountable to the populous who elected it.

Simply having elections does not guarantee democracy. Inherent to these elections must exist the qualities of contestation and participation.⁶ That is, alternative platforms are presented, discussed, and debated before voting and participation in voting is not limited to a select few. To be characterized democratic implies political freedom to “speak, publish, assemble and organize.”⁷ Additionally, there exists a set of rules or guidelines limiting the power of the government which usually takes the form of a constitution. This constitution outlines redress or impeachment procedures for gross misuse or abuse of power by the elected officials.

Notes

¹Samuel P. Huntington and Clement H. Moore, *Authoritarian Politics in Modern Society; The Dynamics of Established One-Party Systems* (N.Y., N.Y.: Basic Books Inc., 1970), 13.

²Ibid., 6.

³Ibid., 18.

⁴Samuel P. Huntington, *The Third Wave: Democratization in the Late Twentieth Century* (Norman, OK: Univ. of Oklahoma Press, 1991), 39.

⁵Ibid., 55–57.

⁶Ibid., 6.

⁷Ibid., 7.

Chapter 2

The KMT, Chiang Kai-shek, and Hard Authoritarianism

Roots of the KMT

The Kuomintang party was founded on mainland China in 1912. With roots in revolutionism, it immediately launched the “Second Revolution” against the Manchu monarchy.¹ In 1924, the First National Congress met. It institutionalized the party structure and significantly borrowed from the relatively new Soviet system. Similarities included KMT membership open only to those who pledged allegiance to the party and its decisions. Dues were required for membership and a party hierarchy created. “Party groups” were then imbedded in social organizations to influence and implement the party’s policies in the masses.² The final similarity to the Soviet system was the formation of control committees to enforce party decisions and discipline.

Besides institutionalizing the KMT structure, the First National Congress outlined a program for “national revolution and reconstruction.”³ This program called for a three-period progressive movement from a one-party system to constitutional government. Understanding revolution only in military terms, the party’s first period was to be a brief military dictatorship, followed by a period of political tutelage. It was planned that the party would control the government using historic accomplishments as justification. After

an undefined time, the period of political tutelage would transform into a constitutional government, completing the three-period process.

In actuality, Chiang Kai-shek controlled the party. His position as commandant of the military academy afforded him respectability with both the Army and KMT party. His distinguished service in the “Second Revolution,” military leadership during crisis times, and adept maneuvering within the KMT party, resulted in a quick rise to dominance. By 1928 he was firmly at the helm of the KMT. Through the years the party continued to engage in conflicts with warlords, communists, and the Japanese. By the end of the Chinese-Japanese War in 1945, it renewed the fighting against the communists in a bloody civil war.⁴ KMT party cohesion was maintained by a charismatic Chiang Kai-shek following the ideology of targeting an enemy, proclaiming the need for the struggle, and assuring ultimate victory.

Adopting a Constitution

In 1947, during the civil war, Chiang Kai-shek’s KMT-dominated National Assembly adopted a constitution for the Republic of China (ROC). In response to Mao’s spreading communism, it established a Chinese 5-branch (5-Yuan) version of a western constitutional democracy. The three traditional western branches (executive, legislative, and judicial) were combined with a Control Yuan to check bureaucracy, and an Examination Yuan responsible for the recruitment of civil servants. Additionally, by the new constitution the National Assembly had responsibility for electing the president/ vice president and authority to make amendments.

Maintaining a strong position in the National Assembly, Chiang Kai-shek predictably was elected president in 1948. The Chinese Civil War was escalating and in response the KMT returned to a military dictatorship. The National Assembly adopted a Temporary Provisions Act providing the President with authoritarian powers during the rebellion. However, in 1949 the communist People's Liberation Army (PLA) forced Chiang Kai-shek and his KMT party to retreat from the Mainland to Taiwan.

Legitimizing the Government on the Island

Once they had retreated to Taiwan, the KMT still faced the threat of invasion from the People's Republic of China while trying to control Taiwan's huge population, military, and bureaucratic structure. Chiang's Temporary Provisions, as well as the National Assembly's term length, were extended indefinitely. This gesture was aimed at denouncing the new People's Republic of China (PRC) government while promoting the legitimacy of the ROC as the true government of all of China. In 1950 the U.N. and U.S. recognized the KMT-dominated ROC as the legitimate government of all China. This international recognition was then promoted as justification for support of party authority. Chiang Kai-shek and the KMT effectively positioned themselves as an oligarchial autocracy within Taiwan.

Early Authoritarian Practices

Chiang Kai-shek enacted martial law. Dominated by mainlanders, his supporting autocratic government represented only 15% of the Taiwanese overall population.⁵ There was little access for islanders to high levels of the KMT due to the reunification issue.

Believing reunification still possible, KMT leaders did not want to overstock the party with officials from one island when the intention was to eventually rule all of China again.

Although Chiang Kai-shek and the KMT kept a tight hold on the national government system, they allowed popular elections for local assemblies. Limited opposition such as the Young China Party (YCP), Chinese Democratic Socialist Party (CDSPP), as well as several independents were tolerated. However, only issues of local concern were allowed to be debated. There was significant voter turn-out for these local elections. As the dominant party, KMT party candidates maintained an overwhelmingly position in most areas. Yet the election process, and acceptance of the KMT party at the local level, contributed to the people's willingness to comply with their decisions at the national level. Chiang Kai-shek continued to be re-elected by the KMT-dominated National Assembly in '54, '60, and '66 with limited dissent from the general population.

Another reason for this limited dissent was the formation of a National Security Council. It monitored the actions of opposition parties and individuals with an ever-present internal security network. Wire tapping, letter opening, and overt surveillance were not uncommon.⁶ Arrests, executions, and massacres of dissidents also occurred, albeit infrequently. In short, the civil and political rights of the citizens were curtailed with no provision for checks and balance or accountability.

Implementation of a Free Enterprise Economy and Modernization

Chiang Kai-shek realized that the rapid hyper-inflation experienced on the Mainland in the '40's was a key component to his defeat by Mao's communists. To prevent this from happening again he implemented free enterprise characteristics to improve Taiwan's

economic base. Land reforms were instituted by giving private property to Taiwanese peasants. Additionally, small businesses were encouraged, and sound monetary policies with foreign aid exercised. Hefty corporate taxes and exchange controls were instituted to discourage a massive corporate society.

As a result of these policies, Taiwan began to embark on modernization. In the period from 1951–1964 the GNP almost tripled in constant dollars.⁷ There began a shift from an agricultural to industrial society and private sector industry rapidly replaced public ventures. As the volume of foreign trade and trading nations increased Taiwan became economically independent. In 1965 the economy was so strong it warranted discontinuation of US economic aid.

These economic developments fostered social developments such as rising literacy, industrialization, and urbanization. Expansive growth in social organizations and business groups, mobility of population from rural to urban areas, and an increasing exposure to mass media and communications formed the basis for a rational and informed citizenry. Early on, the KMT elite were content to contain themselves to politics and played little role in massive private sector expansion.⁸ The party, and more specifically Chiang Kai-shek, was continually preoccupied with the policy of recovery of the Mainland. No significant organizational structure or leadership changes were made within this time of rapid modernization. The only real observable adaptations made in KMT policies were a stronger support for the private sector economy, and development of island resources. Both were aimed at creating a strong, self-sufficient Taiwan, able to leverage this position of strength in its attempt to reunify with China.

Results of Modernization

The 1960's development of a prosperous islander middle class posed problems for KMT. Party opposition at the local level began to rise, particularly in urban areas. It was once the common standard for businessmen to express their desires and channel any influence through their contacts with government officials. Now, the inadequacies of some public services which did not keep up with the rapid expansion rate, such as transportation and communication, were a ready source of discontent. Many successful businessmen began running as independents and allowing their network of contacts at the local level to influence progress. Only two of five major city mayors elected KMT candidates in the early 60's.⁹

Taiwan's rapid modernization and increased economic strength generated another threat to the KMT's authoritarian control; the proliferation of interest groups. The number of commercial, manufacturing, and professional organizations more than quadrupled in the 20 years since the KMT moved to island.¹⁰ The primary function of these groups was not political, but rather to cater to the social and economic needs of its membership. However, the economic prosperity of the islanders increased their influence with Chiang's National Assembly members on decisions of domestic policy. The lines of separation were beginning to blur.

Chiang Kai-shek and the KMT Adapt

As outlined in Ch. 1, Chiang and the KMT had five choices in dealing with the forces of modernization. Unable to provoke a foreign conflict, and unwilling to completely acquiesce to the forces of modernization, three alternatives remained. They could continue

to suppress the opposition, assimilate the advances of economic progress into the KMT structure, or permit the progress to continue and hope history and Chiang Kai-shek's charismatic personality would maintain control. They chose all three.

The old regime continued with the practices of nepotism and corruption, as seen in the exposure of the million dollar "Great Banana Case", which involved skimming and expense padding by KMT officials.¹¹ Other suppressive measures included the expulsion of Western missionaries, presumably for involvement in an independence movement, and arrests of Japanese tourists aiding Taiwanese dissidents¹²

In contrast to these suppressive measures, in 1968 the free education program was expanded from six to nine years. The number of high school and university graduates would soon increase and many of these students would desire to study abroad. Chiang realized this would increase the populous' exposure to more liberal democracies. However, the necessity for a highly educated business-class to continue the economic growth of the island outweighed any ideas of restricting higher learning.

There were other attempts to adapt to the signs of change. In 1968, a policy of greater separation between party and government was announced. Prominent businessmen were appointed to head the KMT party offices in two of the five major cities to legitimize this claim.¹³ However, Chiang Kai-shek's political strength was near absolute in matters of appointments. His personal intervention, appeal, charismatic and paternalistic qualities served to eliminate many differences and the supposed "separation" was merely transparent.

1969 saw the first Supplementary election of National Assembly since the 1947/48 elections. New membership was required to replace the aging National Assembly and

Legislative Yuan elected on the mainland. To dissuade any significant dissent, only 5% of the overall seats were open for election.¹⁴ This, coupled with the fact that political parties organized for national political interests were still illegal, assured only a few independent opposition candidates. The KMT monopolized the election with all 23 KMT candidates elected to the 26 available positions.

Solving the Succession Problem

As mentioned in Ch. 1, succession has been a major problem in authoritarian regimes. Chiang Kai-shek initiated a mid-year cabinet reshuffle in 1969 designed to strengthen the position of his son Chiang Ching-kuo. Ching-kuo was upgraded from Minister of Defense to Vice Premier. Chiang Kai-shek was both President and Premier, and his vice-president was technically second in line to command the government. However, Madame Chiang formulated an adept strategy and understanding with the key party players. In the event of Chiang Kai-shek's death, the remarkably loyal vice-president would take the role of a lesser presidency while Chiang Ching-kuo assumed an upgraded Premier position.¹⁵

Using Economics as an Authority Basis

The Taiwan economy was booming at the end of the 60's with back-to-back years of double-digit percentage increases in the GNP, a 20% increase in the production and tourism industries, a decrease in the cost of living, and an increase in foreign investment.¹⁶ Chiang Kai-shek recognized the power of the economy as a legitimizing base of power for his son. Chiang Ching-kuo had already gained a reputation of efficiency with other administrative successes. His father now appointed him chairman of Council for International Economic Cooperation and Development (CIECD). The CIECD's primary

function had once been to oversee the distribution of the now-defunct American aid. The council was now given a revitalized charter to “preside over the new ‘financial-economic-monetary conference’ as a strategy to identify Chiang Ching-kuo with Taiwan’s continued economic success.”¹⁷ This association would then translate to a strong new base for authority.

International ‘De-recognition’

Recognizing that reunification of Taiwan and mainland China under Chiang Kai-shek’s ROC government was not feasible in the near term, the international community began to politically abandon Taiwan in the early 70’s. In 1971 the U.N. expelled Taiwan and recognized the PRC as the legitimate government of China. The U.S. announcement of the Shanghai Joint Communiqué of 1972 quickly followed. Nixon’s ‘triangular policy’ of balancing the recognized government of the PRC against the Cold War Soviets replaced the previous U.S. policy of support for Chiang Kai-shek’s Taiwanese government.

Notes

¹Tai Hung-chao, “The Koumintang and Modernization in Taiwan,” in *Authoritarian Politics in Modern Society; The Dynamics of Established One-Party Systems*, ed. Samuel P. Huntington and Clement H. Moore, (N.Y., N.Y.: Basic Books Inc., 1970), 407.

²Ibid., 409.

³Ibid., 410.

⁴Ibid., 408.

⁵Robert G Sutter, Taiwan–Mainland China Relations—Implications for the US, *CRS Report for Congress* (Washington, D.C.: Library of Congress, 06 August 1992)

⁶Andrew Tanzer, “How Taiwan is Invading China,” *Forbes*, 08 April 1996, 10..

⁷Tai Hung-chao, 412.

⁸Samuel P. Huntington and Clement H. Moore, *Authoritarian Politics in Modern Society; The Dynamics of Established One-Party Systems*, (N.Y., N.Y.: Basic Books Inc., 1970), 20.

Notes

⁹Ibid., 22.

¹⁰Tai Hung-chao, 422.

¹¹Mark Plummer, "Taiwan: Toward a Second Generation of Mainland Rule," *Asian Survey*, January 1970, 20.

¹²S L Appelton, "Taiwan: The Year It Finally Happened," *Asian Survey*, January 1972, 34.

¹³Samuel P. Huntington and Clement H. Moore, 22.

¹⁴S L Appelton, 68.

¹⁵Mark Plummer, 19.

¹⁶Ibid., 20.

¹⁷Mark Plummer, 20.

Chapter 3

Chiang Ching-kuo and Soft Authoritarianism

Although Taiwan is authoritarian,...it is a soft authoritarian state, in which most people enjoy a reasonable degree of civil rights, economic freedom and security, and improving living standards.

—E. A. Olsen, 1986

Motive for Change

Chiang Ching-kuo was the son of Chiang Kai-shek and had been groomed as his successor. Educated in Stalinist Russia, he had taken a Russian wife. During the Chinese civil war, Ching-kuo gained a ruthless reputation against the communists in Shanghai. After the ROC's retreat to Taiwan he was appointed Minister of Defense. In 1969 Chiang Kai-shek elevated his son to Vice Premier, and then in 1972 to Premier. Chiang Kai-shek died in 1975 and Chiang Ching-kuo was promptly elected President by the KMT controlled National Assembly.

Chiang Ching-kuo and the KMT were not above the arrest and imprisonment of dissidents, the suspicious removal of popular non-party council members on trumped charges, or censorship of radical newspapers. However, mainland China remained firmly in the hands of the PRC; diminishing the claim of party legitimacy based on reunification. Also the number of original KMT National Assembly members elected in the 1947/48

elections had decreased as a result of death or retirement. This further diminished party cohesion. Therefore, sufficient motive to build a strong new political base of support became apparent. Ching-kuo had no idealistic visions of instilling a democracy. Instead, he tolerated a slow liberalization.

Building the Base of Support

Chiang Ching-kuo began building a base of support and consolidating his power through reform initiatives. He promoted an active policy to dissuade civil servants from accepting gifts or expensive entertainment packages and enforced it with public firings. Overt corruption of important administrative functions was no longer tolerated. Many officers of the Taiwan Garrison Command, the island's major security agency, were arrested when their participation in an international smuggling ring was discovered.¹ A showy clean-up strategy now replaced previous cover-up techniques typical in authoritarian regimes.

Other reform initiatives were implemented. The KMT streamlined the huge government bureaucracy by eliminating some commissions and consolidating others. Affirmative action steps were initiated in an attempt to bring native Taiwanese into senior government and military levels. Three supplementary, albeit single-party elections, were held in '72, '75, and '80 to replenish the aging membership of the National Assembly and Legislative Yuan.

Along with the supplementary National elections came an increased encouragement for local elections. This long-term strategy promoted a native Taiwanese, KMT-loyal membership for the legislative branch while continuing to give the people a feeling of

participation. By pushing for increased administrative efficiencies, fighting corruption, and improving mainland/Taiwanese relations in politics, Chiang Ching-kuo managed to control and expand popular support for himself and his party.

While Chiang Ching-kuo instituted reforms in some functions of government to expand his power base, he maintained authoritarian control in others. There were still significant limitations on speaking out against the party or establishment. In the early 1980's a press critic of the KMT was killed in Northern California by thugs working for Taiwanese military.² Another press critic on the island was charged with 'sedition' and imprisoned.³ However, this was not the norm and a contented populace understood the ground rules of censorship. When a 1980 police crackdown on dissident student demonstrations occurred there was overwhelming popular support for the government position.

As discussed in Ch. 1, one of the conditions necessary for maintaining an authoritarian one-party regime is an unsympathetic or indifferent international community. Political tensions in Taiwan went generally unnoticed by throughout the world for two reasons. First, there was the significant level of journalistic repression mentioned earlier. More importantly though was the declining diplomatic significance of the ROC after the U.S. normalizing relations with the PRC in 1979.

The Continued Economic Impact

A labor-intensive industry producing low-tech consumer goods dominated Taiwan's economy between the '60's and '80's.⁴ To ensure sufficient markets for these goods, a heavy emphasis was placed on trade. When the ROC's government was no longer

recognized as the legitimate government of China in 1972, the international economic community had become extremely insecure with investing in Taiwan. Chiang Ching-kuo's emphasis on trade in a stable Taiwan changed this. By the end of the decade the insecurities had dissipated and a massive imports/exports trade industry resumed with enthusiasm.

As Taiwan became more industrialized and better educated, there occurred a shift from the production of labor-intensive consumer goods to the manufacture of value-added electronics products. Taiwan became, and still is, the world's leading exporter of notebook computers, monitors, keyboards, scanners, and pointers.⁵ Along with this shift in manufacturing, there emerged an economic trading concept with-in a Greater China. This concept consisted of mainland China's vast resources and market, Taiwan's technology and financial power, and Hong Kong's international marketing skills.

Chiang Ching-kuo's and the KMT recognized the economic potential of trade through Greater China and loosened restrictions. They then fully exploited the resultant economic successes that resulted to maintain their legitimacy of authority and power. Taiwan's dollar became so strong that a revaluation against the US dollar occurred. The Christian Science Monitor listed Taiwan in the top six for developing nations, and the World Bank called Taiwan the leader of semi-industrialized nations.⁶ In 1986 Taiwan was ranked the number one nation in the world in economic performance as well as first overall for the previous 21 year cumulative period.⁷

To maintain stability, Chiang Ching-kuo developed a strategy for redistributing the huge profits taken in by Taiwan's business industry. He influenced the National assembly to pass bills that assured a relatively equitable distribution of wealth and benefits amongst

the classes. Additionally a significant amount of social welfare programs and benefits were implemented. This was all a calculated strategy to avoid a huge disparity between the classes.

Results

The changes that occurred up through the mid 1980's created favorable conditions for a moving from "soft-authoritarianism" to democracy. Mass media connections from liberalized westernized governments, such as Japan, were readily available. Taiwan students studying abroad had become so commonplace that they comprised the largest foreign student body in US.⁸ Besides returning with valuable skills that would support the new technology-based economy, they also brought back the ideas of the liberalized democracies they had witnessed abroad.

These and other internal pressures, such as an aging Chiang Ching-kuo and National Assembly, caused the Central Committee to announce in March 1986 its intention to establish a constitutional democracy. In July of 1987 Chiang Ching-kuo lifted Martial law. The Temporary Provisions in place since the late 40's were amended and a majority of civil rights restored. Although opposition parties were still technically illegal, the KMT tolerated the formation of another major national party called the Democratic Progressive Party (DPP). By the end of 1987 political scholars classified Taiwan a 'partial democracy', "where genuine democratic elements had been combined with authoritarian powers."⁹ Referring to the successor problem, whether Taiwan continued with democratization or reverted to authoritarianism depended on who succeeded Chiang Ching-kuo's successor and how he would handle Taiwan's continued economic success.

Notes

¹J.B. Jacobs, "Taiwan 1972: Political Season," *Asian Survey*, January 1973, 106.

²J.F. Cooper, "Taiwan in 1980: Entering a New Decade," *Asian Survey*, January 1981, 53.

³*Ibid.*, 53.

⁴Andrew Tanzer, "How Taiwan is Invading China," *Forbes*, 08 April 96.

⁵*Ibid.*, 89.

⁶J.F. Cooper, "Taiwan in 1980: Entering a New Decade," *Asian Survey*, January 1981, 51.

⁷*Ibid.*, 81.

⁸Andrew Tanzer, 91.

⁹E.A. Olsen, "Far East and Pacific," in *Democracy: A Worldwide Survey*, ed. Robert G. Wesson (Praeger, New York, 1987), ix, 167.

Chapter 4

Lee Teng-hui and the Transition to Democracy

First came prosperity, then came freedom—...

—Andrew Tanzer

Election of a Successor

In January of 1988 Chiang Ching-kuo died and Lee Teng-Hui was elected his successor by the National Assembly. He was a native Taiwanese, educated in US, and raised in the KMT party. A highly intelligent and perceptive politician, he recognized society's calls for democratization and immediately pledged to carry on reform policies.

The new president skillfully exerted his influence in the Legislative Yuan and a major victory came early in '89. The Civil Organizations Law passed; a watershed event. It legalized opposition political parties and set rules for their formation; shortly after came a lifting of restrictions on campaigning activities.

The previously mentioned DPP (Democratic Progressive Party) remained the only major opposition to KMT, yet it only held 13 seats in the Legislative Yuan.¹ This was 7 short of the necessary 20 to sponsor legislation.² The cornerstone issue for the DPP was Taiwan's independence from the Mainland. This directly contradicted the KMT's position of eventual reunification. In December '89 an election was held election and the DPP

captured 31% of the Legislative Yuan while the KMT maintained a 60% majority.³ For the first time ever, a second party now had the means to propose legislation and prompt debate. However the DPP was still far short of being able to actually pass any bills proposed.

A split within the KMT party occurred in 1990 over the tensions of dealing with an opposition party and over new procedures for the presidential election. The reform side of the KMT was encouraged by massive student demonstrations for liberalization. This was counterbalanced by a conservative KMT faction which sponsored a ticket that included the surviving son of Chiang Kai-shek as the vice-presidential nominee. KMT conservatives felt that the pace of democratization was accelerating out of control. Skillfully maneuvering both sides of the KMT to a consensus by promising a National Affairs conference Lee secured re-election by the National assembly. The conference was to have no statutory power but would allow all members across the political spectrum to participate in a discussion of the reform process.

1991 Constitutional Reforms

As promised, the conference was held in June of 1990, after Lee Teng-hui's re-election. Representatives came from across the political spectrum; student activist leaders, retired warlords, Buddhist priests, academics, dissident publishers, DPP representatives, and KMT conservatives as well as reformers.⁴ The conference provided lively debate but little consensus. The participating KMT representatives were divided on whether to revise or rewrite the Constitution of 1947. Although the conference had no statutory power, the

process served to dissipate some tensions and strengthen Lee's position to implement reforms.

President Lee strongly supported and pushed for constitutional reforms within the current framework. In April of 1991 the National Assembly passed constitutional amendments supporting this position and provided for new elections in all three parliamentary branches. Both bodies of the legislative branch, The National Assembly and Legislative Yuan, would be determined by new popular elections. These elections were then scheduled for late '91 and '92, respectively. Only the Control Yuan election process, scheduled for early '93, would not be by popular vote. Candidates would be nominated by the President and then voted on by the National Assembly.⁵

By the end of April Lee declared an end to the still lingering civil war status with the mainland and rescinded the "Temporary Provisions". Terminating these provisions removed all semblance of authoritarian powers. The constitutional process now applied completely.

Popular elections and the 1992 Constitutional Amendments

The 1991 National assembly election was a landslide victory for the KMT party which captured 71 % of the vote.⁶ This was primarily due to the DPP running on an aggressive platform of independence. The KMT managed to successfully convince the populace that it was better not to antagonize the Mainland. They then interpreted the election results as an impressive vote of confidence towards the issue. Although the full- scale election did not result in a transition of party power, the people had participated in a contested election. World opinion on Taiwan's once authoritarian political system now shifted

completely. The Dec. 1991 elections were hailed by the Western press as the most democratic ever held in China.⁷

Between late March and May of '92 the newly elected Second National Assembly met. Although still in the minority, two factions of the DPP joined to support an amendment for a separation of powers system and a direct election process for the presidency. However, the KMT still dominated the National Assembly and preferred to table the issue rather than risk another party split. Outnumbered and frustrated the DPP representatives withdrew in protest. They were quickly followed by several independents and the KMT was left to decide the constitutional reform process on their own.

The Assembly then validated the amendments passed by the 1991 National Assembly and instituted eight additional articles to set up a system of checks and balances. The president was given power to implement Law of Emergency Orders (similar to those seen in the Temporary Provisions) and a National Security Council was formed. However checks were put in place by giving the legislative Yuan veto power over President. An amendment was also passed changing the length of the president's term from 6 to 4 years and limiting him to two terms.⁸

The now absent DPP had wanted a single chamber parliament consisting solely of the Legislative Yuan. Instead the KMT opted for a two chamber system with the National Assembly and Legislative Yuan counter-balancing one another. Since Lee, a KMT member, was currently president, they also supported a strong executive branch with authority over the Control Yuan.

Democracy in Practice

The ruling establishment made considerable efforts towards promoting civil rights in 1992. The year had started out poorly with arrests and indictments of independence activists and women's rights leaders. However, after the constitutional reforms passed more progress was made. The legislative Yuan redefined the crime of "sedition" and limited its application; this enabled the release of 19 independence activists.⁹ The once extremely powerful government security force, the Taiwan Garrison General Headquarters, was dissolved in August and its remaining tasks transferred to the National Police.

The democratization process fully developed with the Legislative Yuan elections at the end of 1992. The KMT's representation was reduced to a 53% majority, the DPP won 31%, independents 5.6%, and the remainder split among 11 smaller parties.¹⁰ The new functioning government was now displaying characteristics of a representative or popular democracy.

Notes

¹J.T. Dreyer, "Taiwan in 1988: Democratization and Economic Growth," *Asian Survey*, January 1989, 54.

²*Ibid.*, 54.

³*Ibid.*, 55.

⁴J.T. Dreyer, "Taiwan in 1990: Fine-tuning the System," *Asian Survey*, January 1991, 60.

⁵Leng Chao-chuan and Lin Cheng-yi, "Political Change on Taiwan: Transition to Democracy?," *China Quarterly*, December 1993, 807.

⁶*Ibid.*, 807.

⁷*Ibid.*, 810.

⁸Jurgen Domes, "Taiwan in 1992: On the Verge of Democracy," *Asian Survey*, January 1993, 58.

⁹*Ibid.*, 59.

¹⁰*Ibid.*, 60.

Chapter 5

Conclusions

Overview

As pointed out in Ch. 1, economically strong systems often generate a socially complex environment that leads to political consciousness and mobilization.¹ That is exactly what happened in Taiwan. Chiang Kai-shek and the KMT established an authoritarian regime on the island using the threat of the PRC as justification. By implementing the capitalistic institutions of private property and free enterprise, the mechanisms for economic growth were initiated.

This economic growth fostered an educated populace, urbanization, and the growth of social organizations. Working within the boundaries of local politics and government, prosperous businessmen and influential social organizations started to provide a significant opposition to the KMT. Chiang Kai-shek's regime chose to repress, adapt, and/or ignore this opposition depending on the circumstances.

Chiang Kai-shek's successor and son Chiang Ching-kuo, was faced with a mainland China firmly in the hands of the PRC, a shift in world opinion weakening the legitimacy of his government, and the decreasing number of hard-line incumbents in key Assembly positions. To build a continuing base of support for his authority, he implemented popular

reforms exploiting the benefits provided by a strong economy. Chiang Ching-kuo successfully combined the popular reforms, identification with the continued economic success of Taiwan, and a strong, charismatic personality inherited from his father to implement a softer form of authoritarianism.

Pressured by calls for further liberalization, Chiang Ching-kuo's successor, President Lee Teng-hui, continued the reform process. Opposition parties were legalized, popular national elections held, and a system of government checks and balances implemented. Since the popular Legislative Yuan elections of 1992, Taiwan has been operating under one of the most free democracies in the region. It currently ranks behind Japan but equals the Philippines in the Freedom House Survey.² This paper outlined Taiwan's two-phase transition to democracy and stressed capitalistic forces as the catalyst.

Criticisms

Limited in space, scope, and time, this paper presented the opinion of the author with few criticisms or arguments. However some brief criticisms and thoughts for further discussion or research are warranted here.

Huntington discusses one condition for judging a viable, consolidated democracy as the "two turn-over test".³ This requires the occurrence of two successful transitions of power between different governing parties. It can be argued that Taiwan has not even gone through one turn-over, let alone a two turn-over process, since the KMT party still holds the majority. Although Taiwan fails the "two turn-over test", the elections held since 1992, including the latest Presidential election in March of '96, have been by popular vote and judged fair by the international community. Like the early US or post- W.W.II

Japan, Taiwan is experiencing a viable democracy without a complete party transformation.

Another criticism is that economics has been discussed as the only catalyst, disregarding the important influence of the international community. It is true that when Chiang Kai-shek retreated from the Mainland he built on world opinion to legitimize his authority. His ROC government was the recognized government of China and this fact was exploited to extend authoritarian powers and martial law. Also, when world opinion shifted to the PRC as the rightful government of China in the early 70's, a KMT adaptation was necessary.

However, the importance of world opinion is viewed as a contextual element and not a catalyst in Taiwan's transition process. Elements of liberalization fostered by economic progress were already occurring before the international community's 'de-recognition' of Taiwan in 1970–71. Furthermore, the economic strength of Taiwan was a significant influence on the US decision to recognize the PRC in China. US and western powers felt Taiwan's economic strength could sustain its autonomy until the pragmatic Chinese eventually negotiated an understanding with the ROC. Thus, the economic factors indirectly impacted the actions of the international community.

Finally, it can be argued that the permissive nature of Chiang Kai-shek and the KMT towards local politics prompted the desire and drive for changes at the national level. However, it is difficult to see how an authoritarian government would willingly allow progressive social changes without motive. As argued in this paper, the motive for Chiang Kai-shek to promote private property and free enterprise was achievement of a stable economy. Chiang Ching-kuo's motive to pursue reforms was exploitation of Taiwan's

economic strength and success as a new stronger power base of authority. Lee Teng-hui inherited the socially complex society that was reaping the benefits of economic strength and modernization. He essentially had no choice but to continue with democratic reforms. The political mobilization that occurred in Taiwan may have been important but it did not drive the reaction of change like the catalyst of economics.

Predictions

There are definite positive signs for Taiwan's future with democracy. The young leaders of the KMT and DDP have experienced the reform process and show a commitment to democratic values. This will be of immense importance in these fledgling years. Taiwan's free market economy continues to be another factor. As international trade takes on more and more importance, and exposure to western companies and media increases, more reforms and liberalization should occur. Finally, there is now established a politically activated populace and a broad spectrum of political parties. The inherent democratic political freedoms to "speak, publish, assemble, and organize" are well-grounded and difficult to reverse.⁴

The most significant threat to continued democracy in Taiwan will remain interference from China. Tactics such as surface-to-surface missile shots in the Taiwan Straits prior to the March '96 presidential elections were meant to intimidate any movements towards independence.⁵ However, barring the unlikely abandonment by Western powers, Taiwan's democracy should continue to flourish.

Notes

¹Samuel P. Huntington, *The Third Wave: Democratization in the Late Twentieth Century* (Norman, OK.: Oklahoma Press, 1993), 39.

²Adrian Karatnycky, “The Comparative Survey of Freedom:1996; Democracy and Despotism: Bipolarism Renewed?,” *Freedom Review* January –February 1996, 22.

³Samuel P. Huntington, 267.

⁴*Ibid.*, 7.

⁵Andrew Browne, “The Far East Year in Review,” *Reuters* 26 December 1996.

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